



Office of Rural Community Affairs

Funding Programs

**Water Technologies for Rural Texas
Conference**

December 2, 2003

Texas Community Development Program (TCDP)

- Created in 1981 by U.S. Congress, which allowed states to administer the non-entitlement portion of H.U.D.'s Community Development Block Grant (CDBG) Program
- Administers the nation's largest CDBG Program
- Focuses on meeting “basic human needs”
 - Safe and sanitary sewer systems
 - Clean drinking water
 - Disaster relief / urgent needs projects
 - Housing, drainage, flood control, economic development, and other eligible activities

Texas Community Development Program (TCDP)

- National Objectives (24 CFR 570.483)
- Benefit primarily persons of low to moderate income (LMI)
- Aid in elimination of slums and blight
- Meet other urgent community development needs that pose a serious and immediate threat to the health and safety of the public

Texas Community Development Program (TCDP)

- Funds are distributed among 24 state planning regions based on population, poverty, and unemployment
- Each region has a Regional Review Committee with 12 local elected officials appointed by the Governor
- The scoring of applications is shared by TCDP and the 24 Regional Review Committees
- FY03 total funds \$48,489,615
 - Grants range from \$75,000 to \$800,000

Texas Capital Fund

- Available for projects that create and retain permanent jobs, primarily for LMI persons
- Provides funds through Infrastructure Development and Real Estate Development Programs in support of businesses
- Provides funding through Main Street Improvement Program to foster and stimulate development of small businesses in central business districts
- Administered by the Texas Department of Agriculture through an interagency agreement
- FY03 total funds \$12,585,000
 - Grants range from \$50,000 to \$750,000
 - Applications received 3 times annually

Colonia Fund

- Provides funds for any community determined to be a colonia using objective criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe and sanitary housing
- Community must have been in existence as a colonia before the date of the enactment of the Cranston-Gonzales National Affordable Housing Act (November 28, 1990) and be within 150 miles of the Texas/Mexico Border
- FY03 total funds \$10,658,375
 - Grants range from \$75,000 to \$500,000

Planning & Capacity Building Fund

- Funds may be used to assist eligible cities and counties to:
 - Assess local needs
 - Develop strategies to address local needs
 - Build or improve local capacity
 - Address other needed local planning elements
- FY03 total funds \$776,000
 - Grants range up to \$50,000
 - Applications usually taken in September each year

Planning & Capacity Building Fund

- Examples of activities:
 - Base studies
 - Water system
 - Wastewater system
 - Economic/Employment /Tourism development
 - Central business district
 - Street conditions/Traffic circulation
 - Drainage

Disaster Relief/Urgent Need Fund

- Applicant may qualify for these funds if the locality is impacted by a natural disaster or if an urgent need situation exists
- Disaster relief funds are available for eligible activities that address damage caused by natural disaster (e.g., floods or tornadoes) following an emergency declaration by the President or Governor
- Urgent need funds are available for water & sewer needs where a serious threat to health or safety has originated within the past 18 months
- FY03 total funds \$3,500,000
 - Grants range from \$75,000 to \$400,000
 - Applications taken as needed after disasters

Housing Infrastructure Fund

- Provides competitive grants for development of single family and multifamily LMI housing
- 51% of units must be owned or occupied by LMI persons
- TCDP funds used for infrastructure improvements
- Eligible projects must leverage public or private resources for actual housing construction
- TCDP encourages use of energy efficient construction and appliances
- FY03 total funds \$2,400,000
 - Grants range from \$75,000 to \$400,000
 - Applications usually taken in August of each year

Housing Rehabilitation Fund

- Eligible applicants may use grant funds to provide loan or forgivable loan assistance for rehabilitation of existing owner-occupied and renter-occupied housing units
- Emphasis on housing activities that provide accessible housing for persons with disabilities
- All homes must be brought up to HUD Section 8 existing housing quality standards
- FY03 total funds \$1,500,000
 - Grants range up to \$250,000
 - Applications usually taken in September of each year

TCDP STEP Fund

- Innovative program offering small communities a self-help approach to solving their water and wastewater needs using greater initiative and fewer dollars
- FY03 total funds \$2,700,000
 - Grants range up to \$350,000
 - Will change to competitive process 3 times per year in 2004

TCDP STEP Fund

- A successful project must show:
 - Readiness: community knows it has a problem and is ready to solve it now
 - Capacity: community has individuals willing to volunteer, some technical skills in the neighborhood, and access to some equipment
 - Leadership: a community leader that is able to make things happen and stick with the project
 - Savings: At least a 40% savings off of retail costs

Microenterprise Loan Program (New)

- Competitive grants for non-entitlement eligible rural Texas cities/counties with economic development needs
 - Projects will create or retain jobs primarily benefiting LMI people
 - Funded with program income generated from the repayment of Texas Capital Fund awards
- Participating businesses must commit to create/retain at least one job for every \$25,000 borrowed
 - \$500,000 available in Spring of '04
 - Grants range from \$50,000 to \$100,000

Microenterprise Loan Program (New)

- Eligible activities
 - Assistance to non-profits for the purpose of establishing a loan program
 - Assistance through local governments supporting non-profits for the purpose of establishing loan programs for for-profit businesses
 - Working capital (raw materials, inventory, rent, utilities, salaries, and other needs identified for business operation)
 - Machinery, equipment, real estate improvements, engineering, and administration

Microenterprise Loan Program (New)

- Ineligible activities
 - Debt service, refinancing, salaries for business principals
 - Construction of buildings for conduct of government
 - Financing of political activities
 - Purchase of construction equipment
 - Operation and maintenance expenses

Small Business Loan Program (New)

- Competitive grants for non-entitlement eligible rural Texas cities/counties with economic development needs
 - Projects will create or retain jobs primarily benefiting LMI people
 - Funded with program income generated from repayment of Texas Capital Fund Awards
- Participating businesses must commit to create/retain at least one job for every \$25,000 borrowed
- \$1,000,000 available in Spring of '04
 - Grants range from \$50,000 to \$100,000

Small Business Loan Program (New)

- Eligible activities
 - Assistance for for-profit entities employing less than 100 employees
 - Working capital (raw materials, inventory, rent, utilities, salaries, and other needs identified for business operation)
 - Machinery, equipment, real estate improvements, engineering, and administration
- Ineligible activities
 - Debt service, refinancing, salaries for business principals
 - Construction of buildings for conduct of government
 - Financing of political activities
 - Purchase of construction equipment
 - Operation and maintenance expenses

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